

# GOVERNOR RICK SCOTT

## WEEKLY AGENCY REPORT

### OFFICE OF FINANCIAL REGULATION

WEEK ENDING FEBRUARY 27, 2014

#### Successes for Week Ending February 27, 2014

#### 1. Licensing and Registration

- Division of Securities
  - Applications Received: 878
  - Applications Approved: 858
  - Applications Denied/Withdrawn: 15
  
- Division of Consumer Finance
  - Applications Received: 456
  - Applications Approved: 403
  - Applications Denied/Withdrawn: 10
  
- Division of Financial Institutions
  - Applications Received: 0
  - Applications Approved: 2
  - Applications Denied/Withdrawn: 0

#### 2. Regulatory Actions

##### Administrative Fine of \$210,000 against an Unregistered Associated Person for Fraud

On February 19, 2014, the Division of Securities entered a Final Order against Henry Dyer Wiggins, Jr., after he failed to request a hearing. The Final Order follows an Administrative Complaint, which alleged Mr. Wiggins committed fraud by using investor funds for personal use. A \$210,000 administrative fine was assessed.

#### 3. Enforcement Actions

##### South Florida Man Sentenced to 37 Months in Prison for Securities Fraud

On February 21, 2014, Daniel Paez was sentenced to 37 months in federal prison and three years of probation after pleading guilty to one count of securities fraud for his role in a fraudulent investment scheme. A joint FBI/OFR investigation determined that from September 2010 through April 2012, Paez and his company, Fly High Investments, Inc., obtained approximately \$500,000 from 17 investors across the United States. Paez told the investors that Fly High Investments, Inc., was a hedge fund that managed more than \$50 million in assets. He further promised investors that their money would be invested in safe investments. A review of bank and brokerage records revealed that the \$50

million hedge fund did not exist. The records also showed that although Paez invested a small portion of the investors' funds in high-risk investments, the vast majority of the investors' money was misappropriated by Paez. The United States Attorney's Office for the Southern District of Florida prosecuted this case. [FORMER MIAMI SECURITIES PROFESSIONAL SENTENCED TO 37 MONTHS FOR SECURITIES FRAUD IN CONNECTION WITH MULTI-STATE INVESTMENT SCHEME](#)

## New Issues

### 1. Outreach Activities

On February 18-21, 2014, members of the Division of Consumer Finance represented the OFR at the NMLS (Nationwide Mortgage Licensing System) 2014 Annual Conference and Training in Miami, Florida. The Director of Consumer Finance spoke on a panel discussing Legal vs. Illegal Payday Lending. The Bureau Chief for Registrations in Consumer Finance spoke on a panel discussing how to determine financial responsibility for mortgage loan originators. There were approximately 600 people attending the conference. Commissioner Drew J. Breakspear provided the opening remarks to the conference.

On February 21, 2014, two members of the Division of Financial Institutions represented the OFR on a regulatory panel at the Florida International Bankers Anti-Money Laundering Compliance held in Miami, Florida. There were approximately 75 people in attendance.